

## HOW THE BUDGET IS PREPARED

The annual operating and capital budgets of the City are developed in accordance with the annual Comprehensive Development Plan (CDP), which is adopted each July for the succeeding calendar year. The CDP is developed utilizing citizen input through the Neighborhood Planning Unit (NPU) process, and public hearings are held in communities on a regional basis the city to solicit input into the plan. The chart on page 404 indicates the relationship of the various segments of the planning and budgeting cycle. In addition to the hearings conducted by the executive branch described above, a legislative hearing is conducted by the council prior to final adoption of the CDP. The council Finance Committee holds at least one public hearing during the time it is deliberating the budget.

The City of Atlanta utilizes an executive budget process, in which all departments submit budget requests to the Mayor, who proposes a budget to the City Council. Council then may modify that proposed budget, and formally adopts the budget by Ordinance. Under the City Charter, budget adoption must take place by the second council meeting in the second month of the fiscal year (February). The Mayor has eight days following council adoption to approve, veto (including line-item power of veto), or allow the ordinance to become law without his signature.

The Mayor and council are restricted in budget making to using the estimates of revenue availability set by the Budget Commission of the city. The budget commission is made up of the Mayor, the Chairman of the council Finance Committee, the Commissioner of Finance, and two councilmembers appointed by the Mayor. In the absence of any rate change, the Budget Commission is restricted to setting revenue estimates no higher than ninety-nine percent (99%) of the prior year's actual receipts in each revenue category. Additionally, Budget Commission members are personally liable for any revenue shortfall.

The general calendar for budget preparation is as follows:

<u>Budget Action</u>	<u>Action By</u>	<u>Time</u>
1. Prepare and distribute budget calendar, forms and instructions	Dept of Finance	July
2. Prepare Phase I of budget request (requests for new programs and reorganization)	City Departments	July-August
3. Hold review sessions and finalize recommendations on new programs	Chief Admin. Officer	September
4. Prepare Phase II budget requests (line item and work program data)	City Departments	Sept-Oct
5. Staff reviews of budget requests	Dept. of Finance/City Departments	Oct-Nov
6. Hold review sessions and finalize budget recommendations	Dept. of Finance/ Chief Admin. Officer/ City Departments	Nov-Dec
7. Submit executive budget recommendations to city council	Mayor	December
8. Review Mayor's recommended budget	Council Finance Comm	Dec-Feb
9. Hold Public Hearing	Council Finance Comm.	Dec-Feb
10. Establish official revenue estimates and debt service allocations	Budget Commission	January

11. Capital plans shall include replacement schedules that anticipate the inevitable aging and obsolescence of facilities and equipment. These depreciable assets should be financed through internal funds whenever feasible.
12. Any capital project financed through the issuance of bonds shall be financed for a period not to exceed the expected useful life of the project.
13. Competitive sales should be used to market debt whenever feasible. In negotiated underwritings, procedures should be implemented to insure that underwriter profits are reasonable and that costs to the public are minimized.
14. All funds not immediately required for expenditure shall be invested by the Commissioner of Finance prudently in those securities authorized by State statutes and the City Code. The security of public deposits and investments shall be assumed through such measures as proper collateralization, credit analysis, and professional evaluation of the risk-return relationship.
15. Revenues and expenditures shall be projected annually for at least three years beyond the current fiscal year.
16. The City's overall revenue structure shall be reviewed periodically to determine its stability, equity, efficiency, and capacity to finance future operations. Where possible under Federal and State statutes, the City of Atlanta shall strive to diversify its sources of revenue so as not to be solely dependent on any one revenue source.
17. User charges shall be utilized whenever practical, especially if a particular service can be directly identified as benefitting one individual or entity.
18. All retirement systems will be financed in a manner to systematically fund liabilities. The City shall assure that sufficient funds are provided to pay current service plus interest on unfunded liabilities plus amortization of the unfunded liabilities over a programmed period.

**SECTION 2:** That these Financial Management Policies shall become effective upon adoption by the Council and approval by the Mayor or through action of law, and shall remain in effect until amended or specifically repealed.

**SECTION 3:** That all ordinances and parts of ordinances in conflict herewith be and are hereby repealed.

# CITY OF ATLANTA

## Property Tax Rates and Tax Levies Last Ten Fiscal Years

	<u>Schools</u>	<u>General Fund Operations</u>	<u>Debt Service</u>	<u>Park Improvements</u>	<u>Total</u>
<b>Tax Rates Per \$1,000 Assessed Value</b>					
1979	24.25	13.00	5.40	.50	43.15
1980	24.25	13.00	5.40	.50	43.15
1981	23.75	12.00	5.05	.50	41.30
1982	25.75	14.95	5.40	.50	46.60
1983	26.00	14.95	5.05	.50	46.50
1984	26.00	7.51	4.20	.50	38.21
1985	22.49	9.60	4.22	.50	36.81
1986	22.10	10.27	4.22	.50	37.09
1987	21.52	10.97	3.56	.50	36.55
1988	22.11	11.99	2.12	.50	36.72

### Tax Levies

1979	77,586,496	41,313,877	18,821,093	1,590,063	139,311,529
1980	81,478,213	43,685,107	19,804,335	1,680,200	146,647,855
1981	87,289,352	44,265,448	20,181,641	1,835,872	153,572,313
1982	101,391,383	58,469,319	22,950,170	1,977,856	184,788,728
1983	104,370,251	60,056,063	21,928,415	2,008,562	188,363,291
1984	121,838,511	37,206,881	21,231,824	2,343,395	182,620,611(1)
1985	115,836,533	47,676,204	23,859,211	2,664,768	190,036,716(1)
1986	127,376,514	58,858,207	25,801,351	2,888,113	214,924,185(1)
1987	143,871,900	72,967,535	25,274,463	3,338,673	245,452,571(1)
1988	157,320,070	85,054,376	16,481,824	3,564,917	262,421,187(1)

(1) These totals do not include the Levy for the Special Tax District in that part of the City in DeKalb County. That levy is transferred to Fulton County to be used for Library Operations. These totals do not include intangible tax.

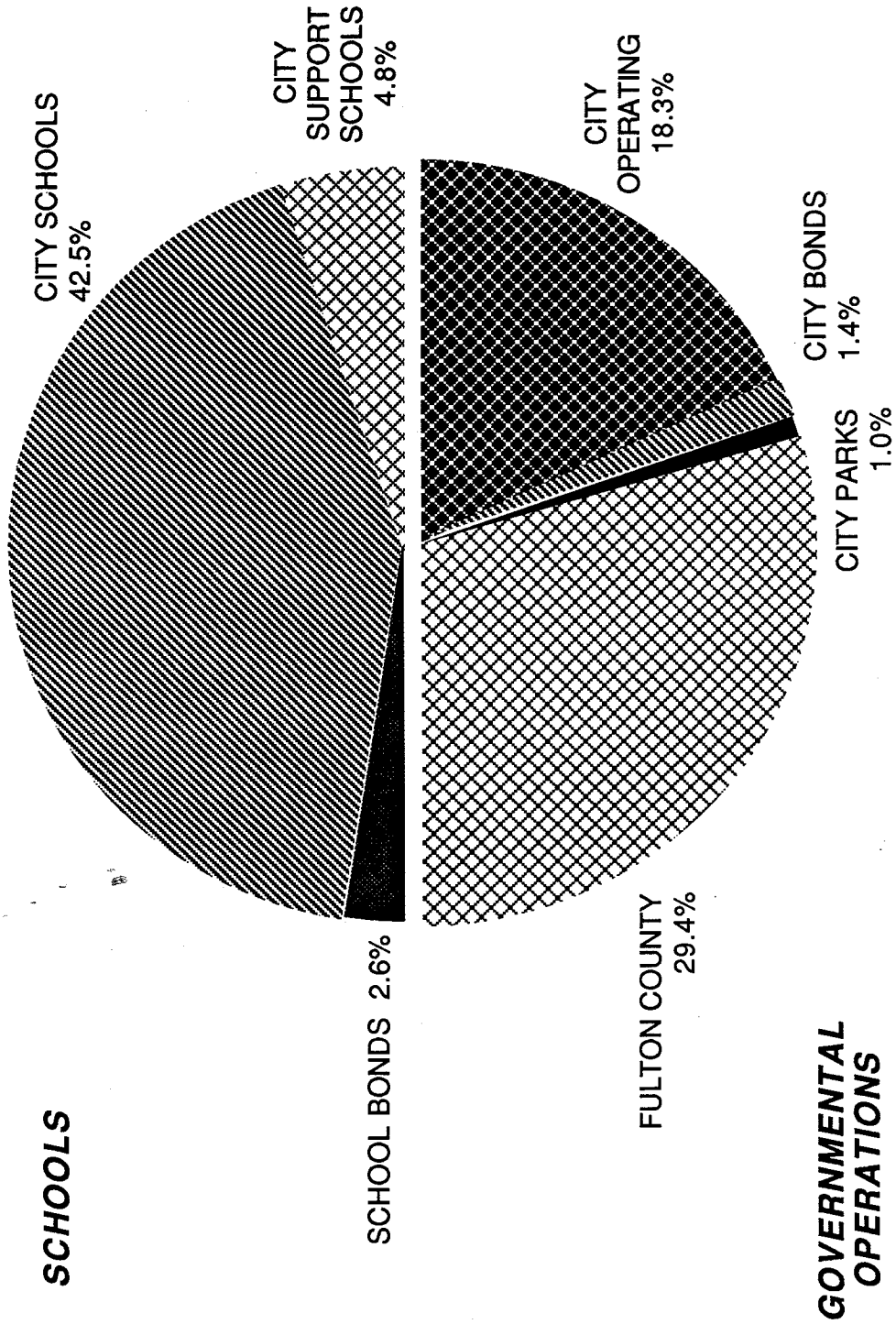
**CITY OF ATLANTA**  
**Assessed and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

Fiscal Year	Real Estate		Personal Property and Corporate Franchises		Total		Ratio of Total Assessed To Total Estimated True Value
	Assessed Value (Gross)	Estimated True Value	Assessed Value (1)	Estimated True Value	Assessed Value (1)	Estimated True Value	
1979	2,221,561,520	5,553,903,800	1,267,194,481	3,167,986,203	3,488,756,001	8,721,890,003	40.0
1980	2,379,881,906	5,949,704,765	1,305,387,313	3,263,468,283	3,685,269,219	9,213,173,048	40.0
1981	2,628,430,357	6,571,075,893	1,375,048,785	3,437,621,963	4,003,479,142	10,008,697,856	40.0
1982	2,799,006,919	6,997,517,298	1,486,472,054	3,716,180,135	4,285,478,973	10,713,697,433	40.0
1983	2,796,291,260	6,990,728,150	1,549,203,657	3,873,009,143	4,345,494,917	10,863,737,293	40.0
1984	3,442,943,920	8,607,359,800	1,579,368,879	3,948,422,198	5,022,312,799	12,555,781,998	40.0
1985	4,013,117,260	10,032,793,150	1,638,203,586	4,095,508,965	5,651,320,846	14,128,302,115	40.0
1986	4,333,885,080	10,834,712,700	1,809,368,384	4,523,428,968	6,143,253,464	15,358,141,668	40.0
1987	5,050,834,730	12,627,086,825	1,983,081,622	4,957,704,055	7,033,916,352	17,584,790,880	40.0
1988	5,452,371,324	13,630,928,310	2,070,251,382	5,175,628,455	7,522,622,706	18,806,556,765	40.0

NOTES: Assessed values are established by the Joint City of Atlanta and Fulton County Board of Tax Assessors on January 1 of each year at 40% of the market (true) value as required by State Law.

(1) Freeport exemption netted out.

# PROPERTY TAX DISTRIBUTION



BASED ON 1988 TAX RATES

